

Senate Study Bill 1033 - Introduced

SENATE/HOUSE FILE _____
BY (PROPOSED ETHICS AND
CAMPAIGN DISCLOSURE BOARD
BILL)

A BILL FOR

1 An Act relating to consent for recurring contributions made
2 to a political or candidate's committee, making penalties
3 applicable, and including applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 68A.507 Recurring contributions —
2 consent required.

3 1. a. A solicitation by a committee for a recurring
4 contribution, directly or through an agent or intermediary,
5 shall be in a form that requires affirmative consent from the
6 person making the recurring contribution.

7 b. A committee shall not accept a recurring contribution
8 from a person unless the committee receives the affirmative
9 consent of the person to make a recurring contribution at the
10 time of the initial contribution.

11 2. A committee that accepts a recurring contribution shall
12 immediately cancel a recurring contribution upon request of the
13 person making the contribution.

14 3. A recurring contribution made in response to a
15 solicitation that did not require affirmative consent shall
16 be returned to the person making the contribution within
17 fourteen days of receipt of a request from the person making
18 the contribution to return the contribution or the date on
19 which the committee becomes aware that the solicitation of
20 the recurring contribution was in violation of subsection 1,
21 whichever is earlier.

22 4. This section does not apply to a political committee
23 soliciting or accepting a contribution from an employee or
24 shareholder.

25 5. For the purposes of this section:

26 a. "*Affirmative consent*" does not include passive action
27 by the person making the contribution, such as by failing to
28 uncheck a prechecked box authorizing a recurring contribution.

29 b. "*Recurring contribution*" means a contribution from a
30 person to a committee that is automatically charged to the
31 person's bank account, credit card, or other payment account on
32 a repeated basis without approval or other affirmative consent
33 by the person after the initial contribution to the committee.

34 Sec. 2. APPLICABILITY.

35 1. Except as provided in subsection 2, this Act applies

1 to a recurring contribution created before, on, or after the
2 effective date of this Act.

3 2. Section 68A.507, subsection 3, as enacted in this Act,
4 applies to a recurring contribution made on or after the
5 effective date of this Act.

6 EXPLANATION

7 The inclusion of this explanation does not constitute agreement with
8 the explanation's substance by the members of the general assembly.

9 This bill relates to recurring contributions made to a
10 political committee or a candidate's committee. The bill
11 prohibits a committee from accepting a recurring contribution
12 from a person unless the committee has received the affirmative
13 consent of the person to make a recurring contribution.
14 Affirmative consent does not include passive action by the
15 person making the contribution. The bill defines "recurring
16 contribution".

17 The bill requires a committee to immediately cancel a
18 recurring contribution upon request of the person making the
19 contribution. The bill also requires a committee to return
20 a recurring contribution made in response to a solicitation
21 that violates the provisions of the bill to the person within
22 14 days of receipt of a request from the person or the date
23 on which the committee becomes aware that the solicitation
24 violated the provisions of the bill, whichever is sooner,
25 unless the recurring contribution was made prior to the
26 effective date of the bill. Otherwise, the bill applies to
27 recurring contributions created before, on, or after the
28 effective date of the bill. The bill does not apply to a
29 political committee soliciting or accepting a contribution from
30 an employee or shareholder.

31 By operation of law, a person who willfully violates a
32 provision of the bill is guilty of a serious misdemeanor. A
33 serious misdemeanor is punishable by confinement for no more
34 than one year and a fine of at least \$430 but not more than
35 \$2,560.